

Date: January 9, 2004

To: Ecosystem Restoration Program Science Board

From: Dan Castleberry
Deputy Director
Ecosystem Restoration Program

Subject: Memo on Proposed Changes to the PSP Process

On behalf of the Ecosystem Restoration Program Implementing Agency Managers (ERPIAMs), thank you for your October 20, 2003 memo regarding the proposed changes to the Proposal Solicitation Package (PSP) process. We recognize and value your involvement in and strong support for our previous process. Our proposal solicitations are a key element of the ERP's approach to implementation, so it's essential that we proceed in ways that reflect the program's commitment to a science-based process. Your views are key in how we meet that commitment.

Your comments on the benefits of selecting projects through a single solicitation that highlights ERP areas of interest and opportunities for coordination with other programs are compelling. In response, our current direction is to use such a solicitation as the primary tool through which the program selects projects. Our intent is to undertake the next solicitation after the milestones assessment, so that the assessment's results can be used to help identify those elements of the *Draft Stage 1 Implementation Plan* that should be especially high priorities of the solicitation, while leaving open opportunities for applicants to propose and the program to select other good projects that contribute to the ERP's goals. Solicitation priorities wouldn't therefore be trimmed from those used in 2002, except where they have been fully met. We recognize that identifying priorities is an important part of this strategy, and expect that you will continue to provide advice on the process to identify priorities as well as on the priorities.

We maintain, however, that a small, sharply focused solicitation for projects that need continued funding should proceed soon, before the milestones assessment and highlighting of priorities can be completed. Based on discussion with you at your November 20th meeting, we plan to focus this solicitation on monitoring and evaluation of projects, or groups of projects, previously funded through our solicitation processes. Without continued funding for monitoring of previously funded projects, the ERP risks

losing the opportunity to collect information necessary to inform future decisions. We believe the amount awarded through this solicitation should be relatively small such that it does not displace emphasis on the broader solicitation that would follow. New restoration projects, implementation of projects previously in planning or permitting stages, modifications of previously funded projects, or new research would not be considered as part of this solicitation, but would be considered in the broader solicitation described above.

Finally, experience in reviewing fish screen projects as part of our larger PSP convinces us that this activity can be handled more effectively outside the PSP process. Unlike other program priorities, we consider funds for a clear and limited number of fish screens, each of which is named in the *Draft Stage 1 Implementation Plan*. Our challenge is not, therefore, to select among alternative projects that meet broad objectives, but rather to proceed with the best designed and most cost effective screen project. Review of these technical issues is handled by the Central Valley Project Improvement Act's Anadromous Fish Screen Program, and is done best not on schedules established by our PSP, but rather when designs are complete, costs clear, and evaluations in hand. The AFSP manages federal funds that require a non-federal match, highlighting a need for coordinating federal and state investments. After the AFSP reviews are complete, the Selection Panel would still be responsible for making recommendations about awarding funds to specific screen projects, assuring that these projects and their reviews meet ERP standards and are integrated with other ecosystem restoration actions.

We hope that you agree that these proposed changes are responsive to the concerns raised in your memo. As you know, the ERP invites input from all interested stakeholders as we develop our solicitations, and any solicitations we recommend will be reviewed by subcommittees of the Bay-Delta Public Advisory Committee, the Agency Coordination Team, and the California Bay-Delta Authority itself. Much work remains to be done before we solicit for projects. We expect that you will continue to engage in discussions about further defining priorities for future solicitations.

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